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Electric Cooperative, Inc. *One of the Minnesota Power Systems*

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July 26, 1994

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JUL 29 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street NW
Washington, DC 20554

Re: Cable Competition Report
CS Docket No. 94-48

Dear Chairman Hundt:

PKM Electric Cooperative is a small rural cooperative located in the very northwest corner of Minnesota. Our member/owners have never had access to cable television. You can imagine their excitement, when in cooperation with the National Rural Telecommunications Cooperative, we were able to provide direct broadcast satellite (DBS) service.

That excitement has been tempered by the fact that we cannot deliver some of the most popular cable networks, like HBO, Showtime and Nickeloden. We are told by NRTC that the United States Satellite Broadcast Company (USSB) has an "Exclusive" contract with Time Warner/Viacom to provide these programs.

Chairman Hundt, I thought the Cable Act of 1992 prohibited exclusive programming arrangements. NRTC tells us that we have no exclusive contracts with our programmers. I'm confused. Our folks have waited a generation to receive cable programming. Less than 2% of our member/owners have the big satellite dish; frankly, the cost of equipment and programming placed this technology beyond the reach of most of our people. With DBS, we have the opportunity to provide cable programming to most of our member/owners.

In our part of the country most folks cannot receive major network television unless they have invested hundreds of dollars in tower and off air antenna systems. DBS is what we have been waiting for. However, if our people want HBO or Nickeloden, they have to buy it from a competitor who has no investment or interest in our area.

Chairman Hundt, we have no problems with competition, but how

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can you have competition when the one party has an exclusive contract with the programmers. I guess one could argue that we have gone without cable programming for so long that we should be happy with whatever we get, but I don't think that was the intent of the Cable Act of 1992.

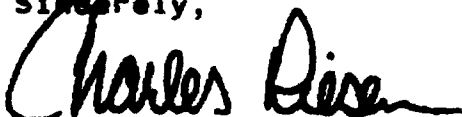
We are just plain folks up here. I confess to know little of the political and legal points raised by this issue. We believe that NRTC understands this issue and has the interests of rural America as its goal. We support the NRTC position.

Ya know, we vote in greater numbers than the big cities of our country. We comply with the laws and pay our taxes with more regularity than most parts of this great country. More of our young folks graduate from high school and go to war (when called) than other areas. I believe, we rank pretty good in regular church attendance. Why, in this day and age can't we deliver our people the cable programming they want?

We would appreciate consideration of our concerns.

Thank you.

Sincerely,



Charles P. Riesen
General Manager

CPR:dlc



Planters Electric Membership Corporation

Post Office Box 979
Millen, GA 30442-0979
(912) 982-4722 • (912) 564-7163 • (404) 554-1811
FAX (912) 982-4798

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25 July 1994

The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street, NW
Room 814
Washington, D.C. 20554

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JUL 28 1994

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Dear Chairman Hundt:

FEDERAL COMMUNICATIONS COMMISSION

This correspondence is to support the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

The major purpose of the NRTC is to provide quality satellite television entertainment through DIRECTV to our rural citizens who are largely not served by cable and have little choice other than satellite programming. Like the majority of rural electric cooperatives, Planters EMC serves rural areas that are sparsely populated with electric service to members who have little or no choice of other electric suppliers. With this same scenario in mind, we ask that the Federal Communications Commission allow both NRTC and Planters EMC to offer complete access to our rural members with television programming at fair rates, comparable to those paid by cable, in order to provide comparable service in rural areas.

As for the opponents to this request, their arguments, we feel, are not in tune with Congress' intent, with the law, or with the program access battle for the last seven years. In fact, we believed that Congress had already resolved this problem two years ago with the Cable Act of 1992.

As for the fairness in billing for the cable and broadcast programming, discriminatory pricing has been detrimental to DIRECTV and is hindering our ability to be competitive in pricing to our rural members. *Is it fair that our organization be charged more for cable and broadcast programming than comparatively-sized cable companies in our local area? Why should rural non-cabled Americans be penalized with higher rates than cabled Americans?* Furthermore, the lack of access to Time Warner and Viacom programming is not fair and will hinder both DIRECTV and Planters EMC in competing in our rural market. Furthermore, these exclusive arrangements are a way for cable programmers to form a monopoly in controlling new competitors such as DIRECTV and NRTC and thus "rip off" rural Americans. These exclusive contracts if allowed to remain will allow cable programmers to dictate the terms and prices of television programming. :

We agree with NRTC's position that the FCC should act to enforce the law that Congress set forth with the 1992 Cable Act. We now ask you, Chairman Hundt, to monitor this problem and stop these abusive practices by those determined to see that rural Americans are not allowed to access cable programming in their areas -- please uphold what the Cable Act specifies and requires.

Sincerely,

Ellis H. Lovett, General Manager

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1-916-832-4126
1-800-344-6191
FAX 916-823-5761

Plumas - Sierra
Telecommunications
73233 Highway 70
(Highway 70, 3 miles West of Portola)
P.O. Box 2080
Portola, CA 96122-2080

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July 18, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, DC 20554

RE: Cable Competition Report
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As an affiliate of NRTC and distributor of the DirecTV™ direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers.

Despite passage of the 1992 Cable Act, my company's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom.

This programming which includes some of the most popular cable networks like HBO, Showtime, Cinemax, The Movie Channel, MTV, Nickelodeon and others, is available only to my principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In Contrast, none of the programming distribution contracts signed by DirecTV™ are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DirecTV.

Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe

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that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstance, if one of my DirecTv subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This is not effective competition, and consequently the price of the Time Warner/Viacom channels are unnecessarily high. This also increases the confusion at the retail level.

Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area. Feather River Cable TV offers HBO and Showtime, keeping some people from joining the DirecTv system because of these two channels.

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve non-rural areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

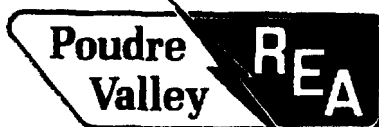
Sincerely,

A handwritten signature in black ink, appearing to read "P. Bony", with a long horizontal line extending to the right.

Paul Bony
Plumas-Sierra
Telecommunications

**POUDRE VALLEY RURAL
ELECTRIC ASSOCIATION, INC.**

4809 SOUTH COLLEGE AVE • P.O. BOX 272550
FORT COLLINS, COLORADO 80527-2550



FORT COLLINS • 226-1234
FAX NO. • (303) 226-2123

July 22, 1994

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JUL 29 1994

COMM. ROOM

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, RM. 814
Washington, DC 20554

Re: Cable Competition Report, CS Docket No. 94-48

Dear Chairman Hundt:

Poudre Valley Rural Electric Association supports the Comments filed by the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

As a rural electric member of NRTC, Poudre Valley REA is directly involved in the distribution of C-band satellite television programming to many rural consumers in Colorado.

Currently, Poudre Valley REA is forced to pay higher rates for the access to popular cable programming in comparison to comparably sized cable companies in our area. We must pass those inflated costs on to our consumers. Since we serve in rural areas, our consumers have no access to cable programming and must bear those inflated costs for satellite programming.

While some programmers have lowered their prices since the 1992 Act, not all programmers have. Poudre Valley REA asks that the FCC monitor the problems mentioned above. Violations of the Act must require stiff consequences.

Thank you for your attention to this matter.

Sincerely,

Pat Plank

Pat Plank
Member Services Representative

cc: William F. Caton, Secretary FCC
The Honorable James H. Quello
The Honorable Rachelle B. Chong
The Honorable Andrew C. Barrett
The Honorable Susan Ness

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**Preston Telephone Company**Box 167
Preston, Iowa 52069

July 28, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, DC 20554

RE: Cable Competition Report
CS Docket No. 94-48

Dear Chairman Hundt,

DOCKET FILE COPY ORIGINAL

This is a letter of support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the 1992 Cable Act, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket 94-48.

We are a rural company that has provided telephone service to our customers since 1906. As a member of NRTC we are attempting to distribute DIRECTV satellite television service to our customers as well. We service only rural customers, that is 100% of our business. As the players in the television market, and telephone as well, get bigger, rural customers that are not even considered by the big guys, increasingly are either caught in the middle, or left out completely, when policy and practice are applied.

I believe that the Cable Act of 1992 intended to correct that very basic inequity that rural America faces, but still we are restricted in our programming. This issue deals with programming owned by Time Warner and Viacom. These are some of the most popular channels (HBO, Showtime, Nickelodeon, and others), but we are refused access because of an exclusive contract signed between USSB, our main competitor, and Time Warner/Viacom. In contrast, none of the contracts signed by DIRECTV are exclusive, which we believe was the letter and intent of the 1992 Cable Act. Thus my rural customers must purchase multiple packages from multiple suppliers, at greater expense, to receive the same service. It also adversely affects my company's ability to provide comparable programming at comparable prices.

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OFFICE OF SECRETARY

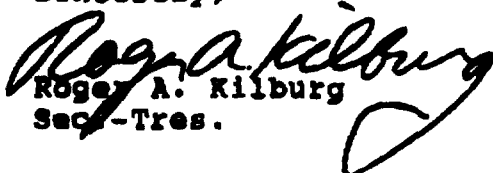
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We need the FCC to remedy these problems so that effective competition becomes a reality in rural America. That is why we supported the Tauzin Amendment in Section 19 of the 1992 Cable Act, and strongly urge you to prohibit all types of exclusionary arrangements, such as those represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,


Roger A. Kilburg
Secy-Tres.

cc.

Senator Charles Grassley
Senator Tom Harkin
Representative Jim Nussle
Commissioner James Quello
Commissioner Andrew C. Barrett
Commissioner Susan Ness
Commissioner Rachelle Chong



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214 W. Whitfield Street
P.O. Box 730
Enfield, NC 27823-0730
(919) 445-4411
1-800-775-0068

July 29, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M. Street, NW Room 814
Washington D.C., 20554

AUG 01 1994

RE: Cable Competition Report
CS Docket No. 94-48

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Dear Chairman Hundt:

The purpose of this letter is to document support of the comments of the National Rural Communications Cooperative (NRTC) in the matter of implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the market for delivery of Video Programming, CS Docket No. 94-48.

PrimeWatch, Inc., is a subsidiary of a rural electric member of NRTC and a distributor for DirecTv Tm direct broadcast satellite (DBS) television service. We are involved in bringing satellite television to rural consumers throughout North Carolina. (PrimeWatch has no relationship to PrimeStar who is named in related correspondence and the similarity is totally coincidental.)

When the Cable Act of 1992 was passed, we felt that the "playing field had been leveled" and our access to all programming at a fair price was a reality. But today we are still at a competitive disadvantage since we don't have reasonable access to programming owned by Time Warner and Viacom.

Under the new DBS technology, some of the most popular programming such as HBO and Showtime distribution is controlled by an exclusive deal between United States Satellite Broadcasting (USSB) and Time Warner/Viacom. It was our understanding that the new act prohibited such exclusivity. In comparison, none of DirecTv's arrangements are exclusive and USSB has full access, if desired.

Our consumers are confused and rightfully so - they cannot understand why they can't buy everything they need from us.

A Subsidiary of Halifax Electric Membership Corporation

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AUG 01 1994

For example if they want CNN (from us) and HBO (from them), they have to buy two packages from two sources. Quite an aggravation for the consumer!

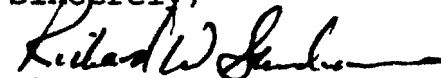
As we have started to build our DBS business, we have had a lot of consumers who refuse to buy (hardware or programming) from us because we don't have access to those products. This is a complex business even when the playing field is level. The confusion and inconvenience being forced on rural America is totally unnecessary.

We believe very strongly that the 1992 cable Act absolutely prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration in this matter.

Sincerely,


Richard W. Sanderson
Assistant General Manager

via facsimile & U.S. mail

cc:

The Honorable Representative Eva M. Clayton
The Honorable Senator Lauch Faircloth
The Honorable Senator Jesse Helms
William R. Caton, Secretary
The Honorable James H. Quello
The Honorable Andrew C. Barrett
The Honorable Susan Ness
The Honorable Rachelle B. Chong

**Red Lake Electric
Cooperative Inc.**

One of the Minnkota Power Systems

P.O. Box 430, 412 International Drive S.W.
Red Lake Falls, MN 56750-0430
Phone: (218) 253-2168

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The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, DC 20554

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Dear Chairman Hundt:

This letter is in support of the Comments of the National Rural Telecommunications Cooperative (N.R.T.C.) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, , Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Red Lake Electric Cooperative is a N.R.T.C. member affiliate and will be delivering television programming to our rural consumers who are not served by cable. Since nearly all of our customers live in a sparsely populated rural area, there is virtually no cable television available to them. Their sole means of quality television programming is via satellite systems.

We do not have distribution rights for Time Warner and Viacom programming like HBO, Showtime, Cinemax, the Movie Channel, VH-1, MTV, Nickelodeon, etc. because of the exclusive distribution arrangements that have been made with United States Satellite Broadcasting Company Inc. (USSB). This lack of access to Time Warner and Viacom programming will no doubt be detrimental to our business and will hinder our ability to compete in our local area. I am unsure why other distributors within our area, most notably PrimeStar have access to HBO and Showtime while we do not. This lack of access hurts our customers because under the current USSB exclusive distribution arrangement, customers interested in receiving Time Warner and Viacom programming must subscribe to separate competing packages. That means they must get two bills each month and write out checks. It would be much easier for the customer to have one vendor for their satellite television programming.

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The Honorable Reed Hundt
July 18, 1994
Page 2

We firmly agree with N.R.T.C.'s position that the F.C.C. should act to enforce the wishes of Congress, as was put forth in the 1992 Cable Act. Please give us any help you can in eliminating exclusionary arrangements represented by the USSB Time Warner-Viacom contract.

Thank you for your assistance in this matter.

Sincerely,

Ronnie M. Kennedy
General Manager

cc William F. Caton, Secretary, F.C.C.
The Honorable James H. Quello
The Honorable Andrew C. Barrett
The Honorable Rachelle B. Chong
The Honorable Susan Ness



ROCKLAND TELEPHONE COMPANY, INC.

P.O. BOX 289

ROCKLAND, IDAHO 83271

PHONE (208) 548-2345 • FAX (208) 548-9911

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, DC 20554

RE Cable Competition Report
CS Docket No. 94-48

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Dear Chairman Hundt

This letter is in regards to and in support of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Rockland Telephone, a rural telephone provider, being a member of NRTC and distributor of DIRECTV TM direct broadcast satellite (DBS) television service, is directly involved in bringing satellite television to rural consumers in southeastern Idaho.

Even with the passing of the 1992 cable act, my companies ability to compete in our local market is being hampered by the lack of access to programming-owned by Time Warner and Viacom.

Popular programming like HBO, Cinemax, and Nickelodeon are not available to me through DIRECTV because of "exclusive" contracts between Time Warner/ Viacom and United States Satellite Broadcasting Co. (USSB).

In comparison to this DIRECTV has entered into no exclusive contracts with any of its programming providers. This makes it so USSB can obtain rights to distribute any programming DIRECTV is providing. This gives USSB an unfair market advantage.

Not having Time Warner and Viacom programming can and will effect my ability to compete on a local level. Our competitors in The C-band industry and Primestar industry all have availability to Time Warner and Viacom, giving them an unfair advantage over us. We have had people we market to complain both of not being able to get all the programming such as HBO and Showtime through us and on the issue of having to subscribe to more than one provider of programming, consequently receiving two bills.

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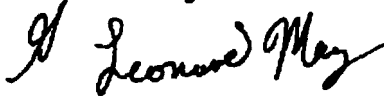
I believe that the programming contracts run counter to the intent of the 1992 Cable Act. I stand with NRTC on the belief that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cabled rural areas. This is why we support the Tauzin Amendment, embodied in section 19 of the Act.

We ask the FCC to remedy these problems so that effective competition requirements of Section 19 become reality in rural America. This would require the banishment of arrangements like the USSB/Time Warner/ Viacom deals.

Thank you for your consideration in this matter.

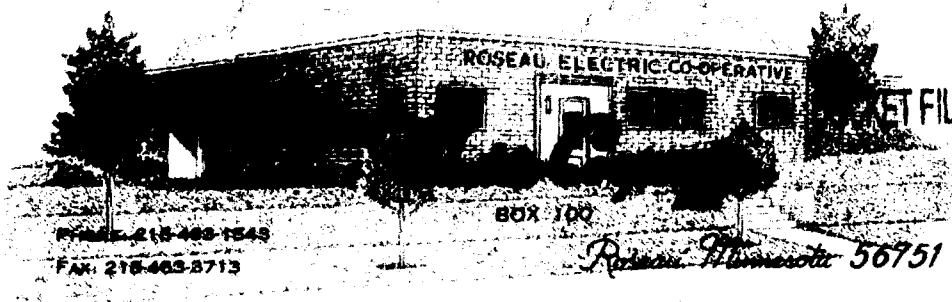
Sincerely ,

Leonard May



cc:

William F. Caton, Secretary
The Hon. James H. Quello
The Hon. Andrew C. Barrett
The Hon. Susan Ness
The Hon. Rachelle B. Chong



July 25, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street NW Room 814
Washington DC 20554

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RE: Cable Competition Report
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Statues of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Roseau Electric is a small electric cooperative located in northern Minnesota. We serve approximately 5200 members in which 90% have no access to cable television. In an effort to bring quality television service to our members we invested \$140,000 in DirecTV(TM) Direct Broadcast Satellite (DBS) television service. We are committed to bring a quality television service to rural America in which the city people have had access for years.

However, despite passage of the 1992 Cable Act, we find we do not have access to all the programming. This programming includes some of the most popular cable networks like HBO, Showtime, Cinemax, the Movie Channel, MTV, Nickelodeon and others is available only to my principal competitor, The United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DirecTV (TM) are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DirecTV.

Roseau agrees with NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. We believe the Act prohibits any arrangements that prevents distributor from gaining access to programming to serve non-cabled rural areas. Under the present circumstance if one of my DirecTV subscribers wishes to receive a Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB Service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at the retail level.

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Owned by those we serve

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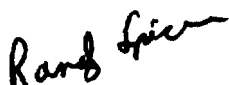
We have just started to install DSS dishes in our service area and already have had problems with members not understanding why they cannot purchase the premium movie channels from us. When we tell them we are not allowed to sell the programming and would have to purchase USSB they are completely puzzled. One member after checking USSB prices wanted to know why the price was so high when HBO is only \$7.45 per month or less in the C Band Market.

We believe very strongly the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/ Viacom deal.

Thank you for your consideration in this matter.

Sincerely,



R. E. Spicer
Assistant Manager

RES:dl

cc: Secretary Wm. F. Caton, FCC

Hon. James H. Quello

Hon. Rachelle B. Chong

Hon. Andrew C. Barrett

Hon. Susan Ness

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**SANTEE
SATELLITE**

SYSTEMS, INC.

P.O. Box 1104 / Kingstree, SC 29556 / (803) 354-0107



July 18, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, DC 20554

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Dear Chairman Hundt:

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FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

I am writing this letter to support the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Santee Satellite Systems, Inc. is a wholly owned subsidiary of Santee Electric Cooperative, Inc. and a member investor in the DIRECTV project delivering television programming to the thousands of rural consumers who are not served by cable. Santee Electric Cooperative formed Santee Satellite Systems to bring cable television programming to these people just as the electric cooperative brought electricity to these people some 55 years ago.

To be competitive in our local marketplace, Santee Satellite Systems needs complete access to all programming at fair rates, comparable to those paid by our competition. It was our understanding that this problem had been solved by Congress two years ago with the passage of the 1992 Cable Act.

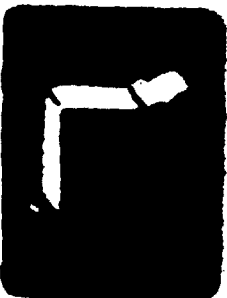
Santee Satellite Systems does not currently have DBS distribution rights for Time Warner and Viacom programming, like HBO, Showtime, Cinemax, The Movie Channel, VH-1, MTV and Nickelodeon because of the "exclusive" distribution arrangements they have made with United States Satellite Broadcasting Co. Inc. (USSB). Because of the name recognition that these above mentioned services carry, it is and has been very detrimental to our business and hindered our ability to compete in our local marketplace. Santee Satellite Systems has made a very large investment in the DBS project and our desire to provide competitive services at competitive prices is even larger. It seems very unfair to us that services like PrimeStar, wireless, and cable have access to HBO and Showtime and we do not.

None of the programming contracts signed with DIRECTV are exclusive and USSB could offer the same services if it wished to do so. Why then should DIRECTV consumers have to subscribe to two separate, competing packages?

h

SEMO COMMUNICATIONS CORPORATION

P.O. Box C • Stinson, Missouri 65081 • 314-471-6504



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July 27, 1994

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

The Honorable Rod Dwyer
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 314
Washington, DC 20554

Dear Chairman Dwyer:

This letter is in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Amendment of the Rules of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-46.

Our company is a cable television company serving small towns in southwest Missouri. We have purchased through the NRTC the rights to distribute DSS service in four counties in southwest Missouri. Many of our potential customers will have few choices for receiving television service as they are outside cabled areas.

With the passage of the 1992 Cable Act, we know that the intention of Congress was to allow different providers of television service to have complete access to all programming at fair prices. The secret provisions of the 1992 Cable Act have worked well to this point, with one notable exception. USDS has entered into an exclusive programming arrangement with Time Warner and Viacom for programming to the exclusion of the NRTC and DirectTV.

With the vertical integration these companies possess with cable television operators this arrangement will hinder our ability to compete for DSS customers. We believe the FCC should act to enforce the goals of Congress as put forth in the Cable Act and deny any exclusive contract that doesn't allow any distribution system access to cable programming to rural areas. We believe this is what the Cable Act specifically mandated.

We believe the best way to enforce the Cable Act would be to prohibit any exclusive contracts and specify that monetary damages be awarded for program access violations.

Sincerely,

Tyrene Gantrell

Tyrene Gantrell
President

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Shelby Electric Cooperative, Inc.

P.O. Box 166
Shelbyville, Illinois 62565
Telephone: (217) 774-3986

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July 25, 1994

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AUG - 2 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, DC 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

RE: Cable Competition Report DOCKET FILE COPY ORIGINAL
CS Docket No. 94-48

Dear Chairman Hundt:

I am writing this letter in support of the Comments filed by the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket NO. 94-48.

As a rural electric member of NRTC, Shelby Electric Cooperative is directly involved in the distribution of C-band satellite television programming to 8,500 rural consumers in central Illinois.

Currently, Shelby Electric Cooperative is forced to pay significantly more for access to popular cable and broadcast programming than comparably sized cable companies in our area. The fact that we are forced to pay inflated rates for program access means we must in turn charge consumers more for our service, a fact which has already had a detrimental effect on our ability to compete in our local marketplace.

In addition, many of the consumers we serve live in remote areas not served by cable and off-air television. Since these consumers have no other choice for multichannel television programming other than satellite, they are forced to pay higher rates for access to television than their counterparts with access to cable.

It was my impression that, in the 1992 Cable Act, Congress had mandated that all distributors (cable, satellite and otherwise) should be granted equal access to cable and broadcast programming services at non-discriminatory rates. If this is the case, why are we still paying more for many programming services than comparable sized cable companies?

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Shelby Electric Cooperative, Inc.

Page Two

July 25, 1994

While it is true that some programmers have lowered their rates since the implementation of the 1992 Cable Act, we must have fair and equal access to all programming at rates comparable to those paid by cable or we will be unable to offer satellite television at prices acceptable to rural consumers.

In that regard, Shelby Electric joins NRTC in calling on the FCC to monitor and combat the problems that I have mentioned above and to ensure that the intentions of Congress are being upheld with regard to the 1992 Cable Act.

Specifically, I feel that the FCC must prohibit abuses of the program access provisions of the 1992 Cable Act by rule and make it clear that damages will be awarded for program access violations.

I thank you for your attention on this matter.

Sincerely

A handwritten signature in dark ink, appearing to read 'James E. Coleman', is written over a horizontal line.

James E. Coleman
General Manager

JEC/cyc



SIGNAL TV OF LAKE COUNTY, A DIVISION OF ROMAN TELEPHONE CO.

RECEIVED

July 22, 1994

JUL 26 1994

FCC MAIL ROOM

The Honorable Reed Hundt, Chairman
Federal Communications Commission
1919 M Street, NW, Room 814
Washington, Dc 20554

DOCKET FILE COPY ORIGINAL

Dear Chairman Hundt:

I am writing you this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

Signal TV of Lake County is a member of NRTC and we are a distributor of the DIRECTV direct broadcast satellite (DBS) television service bringing television programming to our rural consumers who are not being served by cable. The rural areas of Lake County are not being offered cabled services and their only option to this point has been satellite TV and/or the three local networks. Making a success of the financial and service-oriented commitment we have made to our community will be based on our ability to compete.

Signal TV is the first reasonably-priced satellite system to be offered in our area and we are being hindered by DIRECTV's lack of access to programming owned by Time Warner and Viacom. Many of our potential customers request HBO, Cinemax, Nickelodeon, MTV and other programming that is available only through our principal competitor, the United States Satellite Broadcasting Co. (USSB), who signed an exclusive contract with Time Warner/Viacom. We are unable to offer this programming and this seems to me to be in direct conflict with the intent of the 1992 Cable Act.

Why has Time Warner/Viacom made its programming available to other distributors but will not make it available to DIRECTV? Why have some larger programmers continued to ignore the 1992 Cable Act and the FCC's Program Access requirements by charging us up to three times more than comparably-sized cable companies for identical programming?

I believe the 1992 Cable Act prohibits any arrangement that prevents any distributor from reasonable access to programming to serve non-cabled rural areas. It is interesting to note that

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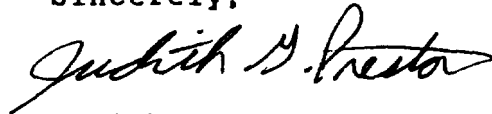
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DIRECTV, who offers reasonably-priced service to a brand new market area, signed no contacts which are exclusive and yet our major competitor is permitted to do so.

It is important to allow for competition in the service of satellite TV to customers in our rural areas. We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal.

Thank you for your consideration.

Sincerely,



Judith G. Preston
Vice President &
Operators Manager

JGP:ret

cc: The Hon. Senator Max Baucus
The Hon. Senator Conrad Burns
The Hon. Representative Pat Williams
William F. Caton, Secretary
The Hon. James H. Quello
The Hon. Andrew C. Barrett
The Hon. Susan Ness
The Hon. Rachelle B. Chong

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DOCKET FILE COPY ORIGINAL

American Wireless dba Sky-View Technologies, Inc.
P.O. Box 2500
St. George, Utah 84771
(801)674-0320

July 28, 1994

The Honorable Reed Hundt
Chairman
Federal Communications Commission
1919 M Street, NW, Rm. 814
Washington, DC 20554

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AUG - 2 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

RE: Cable Competition Report
CS Docket No. 94-48

Dear Chairman Hundt:

DOCKET FILE COPY ORIGINAL

I am writing this letter in support of the Comments of the National Rural Telecommunications Cooperative (NRTC) in the matter of Implementation of Section 19 of the Cable Television Consumer Protection and Competition Act of 1992, Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming, CS Docket No. 94-48.

American Wireless Inc. Dba Sky-View Technologies is an affiliate of NRTC and distributor of the DIRECTV direct broadcast satellite (DBS) television service, my company is directly involved in bringing satellite television to rural consumers.

Sky-View also is a Wireless cable operator in Southern Utah, due to the terrain, the digital satellite project has gone hand in hand with what we are providing to the area.

Please find enclosed a copy of a contract sent to us by HBO also find an enclosed contract given to a wired cable system. The name of the wired cable system has been blacked out due to the fact the system wished to be kept anonymous. As you may note the highlighted areas of the contract to us show a direct discrimination against the wireless industry. In conversation with other systems this is standard procedure for HBO. I am aware of operators who own both wired and wireless systems in different areas who also have had to use these different contracts. The wireless contract which requires a large letter of credit and has other stipulations, while wired systems have no such requirements. Programming such as Showtime, The Movie Channel, Nickelodeon and MTV have been good to work with on the wireless System. It has only been HBO and Cinemax who have asked for extreme contracts.

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In regards to the Digital Satellite Systems we support the NRTC in it's efforts.

Despite passage of the 1992 Cable Act, Sky-View's ability to compete in our local marketplace is being hampered by our lack of access to programming owned by Time Warner and Viacom on the Digital Satellite System.

This programming, which includes some of the most popular cable networks like HBO, Cinemax, Showtime, MTV, Nickelodeon, and others is available only to my principal competitor, the United States Satellite Broadcasting Co. (USSB), as a result of an "exclusive" contract signed between USSB and Time Warner/Viacom.

In contrast, none of the programming distribution contracts signed by DIRECTV are exclusive in nature, and USSB is free to obtain distribution rights for any of the channels available on DIRECTV.

Mr. Hundt, my organization agrees with the NRTC that these exclusive programming contracts run counter to the intent of the 1992 Cable Act. I believe that the Act prohibits any arrangement that prevents any distributor from gaining access to programming to serve non-cables rural areas. Under the present circumstance, if one of my DIRECTV subscribers also wishes to receive Time Warner/Viacom product, that subscriber must purchase a second subscription to the USSB service. This hinders effective competition, and as a consequence keeps the price of the Time Warner/Viacom channels unnecessarily high. It also increases consumer confusion at retail level.

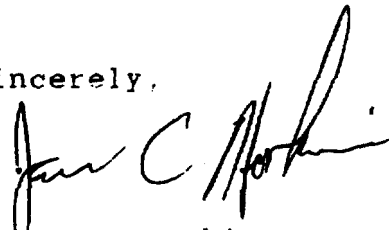
Not having access to the Time Warner/Viacom services has also adversely affected my ability to compete against other sources for television in my area. **

We believe very strongly that the 1992 Cable Act flatly prohibits any exclusive arrangements that prevent any distributor from gaining access to cable programming to serve rural non-cabled areas. That is why we supported the Tauzin Amendment, embodied in Section 19 of the Act.

We ask the FCC to remedy these problems so that the effective competition requirements of Section 19 become a reality in rural America. I strongly urge you to banish the type of exclusionary arrangements represented by the USSB/Time Warner/Viacom deal. We also ask that the FCC look into the situations that Wireless cable systems have in dealing with HBO and Cinemax contracts. It was not until HBO received a previous letter addressed to the FCC that they would respond to our request for us to even look at a contract.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "James C. Hoskins". The signature is fluid and cursive, with a large, stylized initial "J" and "H".

James C. Hoskins
Mgr. Sky-View Technologies